

# DOLLAR GENERAL

3228 US HIGHWAY 64, WATERFLOW, NEW MEXICO

**NAVAJO NATION - HIGH DEMAND LOCATION**



OFFERING MEMORANDUM

Marcus & Millichap



**NORTHERN NAVAJO  
MEDICAL CENTER**

**FLOWING  
WATER  
CASINO**

**PNM  
POWER PLANT**

**RIVERVIEW  
GOLF COURSE**

**DOLLAR GENERAL**

64

**HWY 64  
TRUCK & AUTO SALVAGE**

**FARMINGTON**

**Bashas'  
McDonald's**  
**11th Northern Navajo  
FAIR**

**Speedway**  
**FAMILY  
DOLLAR**

**KIRTLAND CENTRAL  
HIGH SCHOOL &  
MIDDLE SCHOOL**

**NORTHERN  
EDGE  
CASINO**



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# Executive Summary

3228 US Highway 64, Waterflow, NM 87421

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$1,440,000</b>
Cap Rate	7.0%
Building Size	9,100 SF
Net Cash Flow	7.0% \$100,776
Year Built	2021
Lot Size	0.97 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Dollar General
Guarantor	Corporate
Lease Commencement Date	August 1, 2021
Lease Expiration Date	August 31, 2036
Lease Term Remaining	12 Years
Rental Increases	10% in Each Renewal Option
Renewal Options	3, 5 Year Options
Right of First Refusal	None

## ANNUALIZED OPERATING DATA

<b>Lease Years</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Current – 8/31/2036	\$100,776.00	7.00%
<b>Renewal Options</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Option 1 (9/1/2036 – 8/31/2041)	\$110,853.60	7.70%
Option 2 (9/1/2041 – 8/31/2046)	\$121,938.96	8.47%
Option 3 (9/1/2046 – 8/31/2051)	\$134,132.86	9.31%

<b>Base Rent</b>	<b>\$100,776</b>
<b>Net Operating Income</b>	<b>\$100,776</b>
<b>Total Return</b>	<b>7.0% \$100,776</b>

**DOLLAR GENERAL**



**FAMILY DOLLAR**

**HOGBACK TRADING**



**15,360 CPD**  
U.S. HWY 64

**DOLLAR GENERAL**



# Property Description



## INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Corporate Lease with Approx. 12 Years Remaining**
- » 10% Rental Increases in Each of Three, Five-Year Renewal Options
- » **High-Quality 2021 Construction**
- » High Demand Location | Main “Everyday Goods” Retailer for Nearby Navajo Reservation
- » **Dollar General’s Net Sales Increased 2.2% to \$38.7 Billion in 2023**
- » Easily Accessible Location Along US Highway 64, Providing Direct Access to Farmington to the East
- » **Located within the Navajo Nation with 13,835 Residents in a 10-Mile Radius**
- » Average Household Income Exceeds \$62,000 in the Surrounding Area
- » **Subject Property is One of Two Discount/Dollar Stores within a 9 Mile Radius**



## DEMOGRAPHICS

3-miles

5-miles

10-miles

### Population

2028 Projection	1,644	3,291	13,923
2023 Estimate	1,640	3,277	13,835
Growth 2023 - 2028	0.24%	0.45%	0.64%

### Households

2028 Projection	497	989	4,194
2023 Estimate	493	979	4,150
Growth 2023 - 2028	0.70%	1.01%	1.07%

### Income

2023 Est. Average Household Income	\$59,281	\$62,248	\$56,535
2023 Est. Median Household Income	\$51,306	\$52,699	\$45,880

# Tenant Overview



## DOLLAR GENERAL



**GOODLETTSVILLE, TENNESSEE**

Headquarters



**19,000+**  
Locations



**NYSE: DG**  
Stock Symbol



**WWW.DOLLARGENERAL.COM**

Website

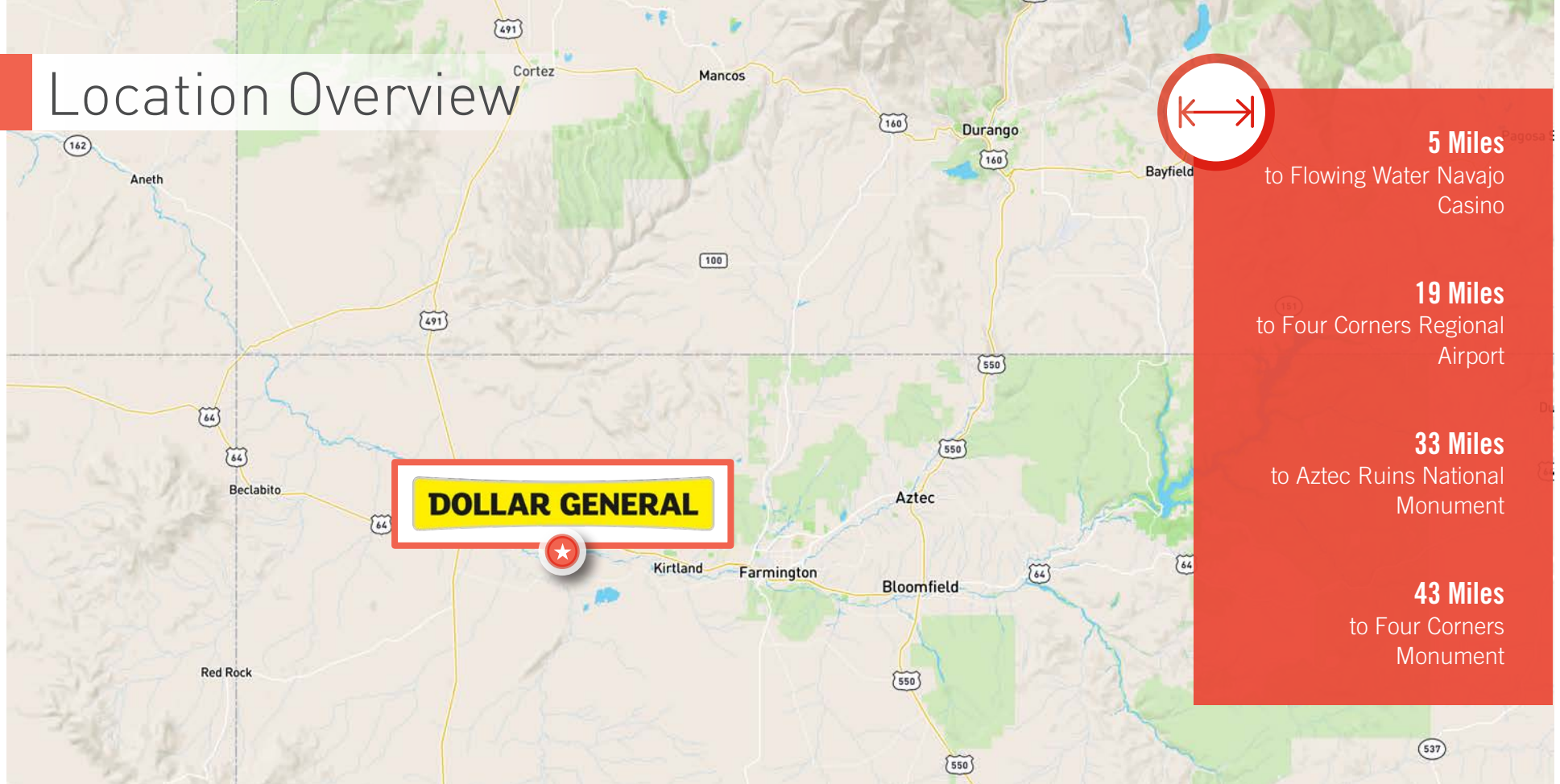
Dollar General Corporation (NYSE: DG) has been delivering value to shoppers for over 84 years. Dollar General helps shoppers save money and time every day by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items at low everyday prices in convenient neighborhood locations. Dollar General offers products from America's most-trusted manufacturers as well as from high-quality private brands.

Dollar General operates more than 19,000 stores in 47 U.S. states and employs more than 170,000 associates. In fiscal 2023, Dollar General's net sales increased 2.2 percent to \$38.7 billion, driven primarily by positive sales contributions from new stores and growth in same-store sales. In fiscal 2024, the company plans to execute 2,385 real estate projects, including 800 new store openings, 1,500 remodels, and 85 store relocations.

# Property Photos



# Location Overview



Waterflow is a community in San Juan County, New Mexico. Located on the north side of the San Juan River, Waterflow is immediately west of Fruitland and north across the river from the Navajo Nation.

San Juan County is the fifth-most populous county in New Mexico, home to an estimated 121,661 residents as of the 2020 U.S. census. Indian reservations (and off-reservation trust lands) comprise 63.4 percent of the county's land area: the Navajo Nation comprises 60.45 percent and the Ute Mountain Ute Tribe Reservation comprises 2.93 percent. San Juan County is part of the Farmington,

New Mexico metropolitan statistical area. It is in the state's northwest corner and includes the New Mexico portion of the Four Corners.

The San Juan County region is booming with some of the nation's leading companies and organizations. The area boasts a growing film industry, an energy cluster that is a hub for coal, oil and gas, renewable energy, a manufacturing industry fueled by growth in upstream production operations, an expanding health care sector, a stable retail trade area, and innovations in outdoor recreation and tourism.



# [ exclusively listed by ]

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investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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